

Indiana Department of Insurance

June 28, 2021

Bulletin 259

CLARIFICATION OF PUBLIC LAW 151-2021 (SEA 325) DEFINITION

This bulletin is directed towards all insurers issuing a policy of accident and sickness insurance as defined in IC 27-8-5-1(a). The purpose of this bulletin is to clarify the application of IC 27-2-26 under Public Law 151-2021 (SEA 325).

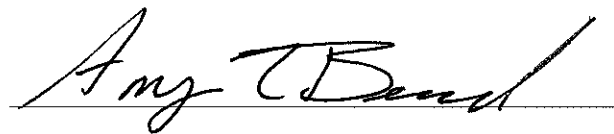
The Indiana General Assembly passed P.L. 151-2021 during the 2021 Legislative Session. Section 15 of P.L. 151-2021 adds a new chapter titled Public Forums by Health Carriers. Effective July 1, 2021, a health carrier shall hold an annual public forum in which the health carrier shall obtain feedback from the community about the health carrier's performance in the previous year and discuss the premiums charged by the health carrier. IC 27-2-26-1(1) defines "health carrier" as "an insurer, as defined in IC 27-1-2-3(x), that issues a policy of accident and sickness insurance, as defined in IC 27-8-5-1(a)."

The definition of a policy of accident and sickness insurance under IC 27-2-26-1(1) is overly broad and imposes requirements on non-major medical policies generally excluded from the requirements of major medical insurance policies. Examples of these non-major medical policies include specified disease policies and hospital indemnity policies. The use of the broad definition of a policy of accident and sickness insurance has created confusion amongst insurers.

In order to eliminate any confusion, the Department will not impose the requirements of IC 27-2-26 under P.L. 151-2021 on health carriers issuing a policy of accident and sickness insurance that is included in IC 27-8-5-2.5(a). However, the requirements of IC 27-2-26 will still be imposed on short term insurance plans as they are included in the definition of "health carrier" under IC 27-2-26-1(4).

Questions regarding this bulletin should be directed to compliance@idoi.in.gov.

INDIANA DEPARTMENT OF INSURANCE

A handwritten signature in black ink, appearing to read "Amy L. Beard", written over a horizontal line.

Amy L. Beard
Insurance Commissioner